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# The Daily Capital Journal

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SALEM, OREGON, SATURDAY, FEBRUARY 26, 1916

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## TERRIBLE BLOW DEALT BY GERMANS AT VERDUN

**Armies Press Resistlessly Forward Over Blood-Soaked Field—France's Mightiest Fortress, Considered Impregnable, Is Seriously Threatened—French Claim They Are Prepared and That Should Verdun Fall, Remaining Defenses Will Hold**

London, Feb. 26.—Verdun, France's mightiest fortress, heretofore considered unconquerable, is seriously threatened.

Brandenburg troops—among the crack men of Germany—yesterday entered the steel clad town of Douaumont, keystone to the fortifications of Verdun from the northeast, and only four miles distant, while the kaiser himself looked on, today's official Berlin statement declared.

Though Paris failed to confirm this German gain, the vagueness of the French communique, telling of taking up new positions backed by the Meuse hills, caused uneasiness here. Papers accepted the Douaumont victory reservedly, yet admitted the situation daily growing more serious. They suggested, however, that the magnificent French resistance is such that even should Verdun fall, the French front could not be broken for a drive on Paris. Bombardment of the remaining forts before Verdun and the shelling of Verdun itself is expected at once. The French are ready. Months ago they tunneled the city for refuge, and their big guns and their men are prepared for any lengths to save the city if possible from the Teutons.

A later Berlin statement told of capture of positions southwest and east of Louvemont, at the same time admitting that yesterday's report of capture of Champ Neuville was incorrect. This statement indicated that while the French right is retreating, the left resting along the Meuse heights has been maintained despite German onslaughts.

"On the Woevre plain," said the statement, "the enemy's resistance broke down from a point near Marpoivre."

The reported capture is believed to have followed the collapse of the French front from the Ridge Cote du Poivre (Pepper Heights) through Bezonvaux. In view of the position of Douaumont, it is also believed the whole French force defending Verdun from the north and northeast has been driven into the fortress under the most terrible stroke dealt by the Germans since their offensive started.

Cote du Poivre, key to the city's northern defense, had been regarded as impregnable, even though assaulted by the enormous number of guns the Germans had massed for their drive. The latest Paris statement admitted that German regiments were assaulting the French armored trenches and redoubts there, though it claimed these assaults had been repulsed.

Snow has added to the terrors of the campaign in that region, but the fighting continues.

From Douaumont, the German guns can hear upon the forts De Vaur, De Tavenne and De Belleville and sweep the northern plain about the city with a fire no infantry could withstand.

Loss 200,000 Men.  
No estimate of the fatalities in what may prove to be the most sanguinary battle of the war is obtainable, though it is accepted here that both sides have lost over 100,000 men. French estimates

French Resistance Heroic.

Paris, Feb. 26.—Resisting heroically the German drive against Verdun, the French have taken up new positions backed by the Meuse hills, said today's communique.

"The battle north of Verdun is continuing," said the war office. "According to the latest information, our forces were resisting the Germans without counting sacrifices. Our artillery is replying to the German fire, shell for shell."

The communique, couched in vague language, does not confirm the German claim of the capture of Douaumont. The new position taken up indicates that the French have retreated, though many of these points are "backed by the Meuse hills" is valuable as a clue to indicate the extent of the retreat. It is possible that the French left wing evacuated the "pepper heights" and is moving back upon Bras, or, it is possible the French have only been forced back on these heights.

**Russians Advance Steadily.**  
Petrograd, Feb. 26.—Kermanshah, Persia, has been captured by the Russians after a three day battle, said delayed dispatches today. The victors now expect to make an early junction with the British at Kut-el-Amara, Mesopotamia, 150 miles distant.

The capture of Kermanshah, coming as a surprise, was surpassed only by the Russian victory at Erzerum.

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### WHEAT TAKES TUMBLE

Chicago, Feb. 26.—May wheat dropped 5 1/2 cents during the day, closing at \$1.13 1/2, a new low mark for this crop.

Lower cables and nervousness over the international situation, together with a determined raid were responsible. Wheat dropped 4 3/4 cents.

### Drops In Portland.

Oregon, Feb. 26.—At prices dropped 5 to 9 in the local market today, of a slump on the Chicago exchange caused the break.

### ANTI-ALLY PLOTTERS

#### START NEW CAMPAIGN

**Lighter Carrying 150 Motor Trucks Sunk—Blaze On British Liner**

New York, Feb. 26.—That anti-ally plotters plan a new campaign of destruction was believed today following the sinking of a lighter carrying 150 allied motor trucks, and a fire aboard the British munitions steamer Livingston in the lower bay.

The moorings of the lighter were cut, and the vessel was then scuttled in mid stream. Shortly afterward, the Livingston, anchored in the lower bay, was found to be afire. The blaze was soon extinguished by a fire tug.

Simultaneously, District Attorney Crosey of Kings county received an anonymous letter, recalling the recent \$4,000,000 fire in the Erie basin and saying it was "only an indication of what is going to happen."

The warning, coincident with the lighter and ship incident, was regarded so seriously that a detective guard was thrown out at the steamship piers.

### Stock Market Weak

#### Bank Reserves Low

(Copyrighted 1916, by the New York Evening Post.)

New York, Feb. 26.—It is debatable whether the decline in the stock market today was due to the German capture of Douaumont or to other influence, though for a long time the market has not been reflecting military news. Prices opened uncertainly, then gave way and in the last hour were distinctly weak, closing without recovering.

Another heavy decrease in surplus reserves, amounting to \$17,000,000 was reported in the bank statement, leaving the actual surplus a little below that of a year ago, and the lowest since March.

Foreign exchange was mostly unchanged, with slight movements adverse to Austria and Italy. Preliminary totals of the January foreign trade of the country confirmed that there had been very large exports.

### California Company

#### Has \$45,000,000 Surplus

San Francisco, Feb. 26.—The Standard Oil company was authorized by the state railroad commission today to issue \$24,845,300 worth of its common stock as a dividend of one-half a share to each share of stock outstanding.

The company scheduled with the commission assets of \$100,000,000 and a surplus of \$45,000,000. Its net profit in 1915 was nearly \$10,000,000.

The company operates in California alone and comes under the jurisdiction of the railroad commission because of its ownership of pipe lines which the legislature a year ago declared public utilities.

### MRS. COLEMAN APPEALS

Eugene, Or., Feb. 26.—Mrs. Helen Coleman, aged 60 years, has appealed to the supreme court from the decision of the circuit court granting a divorce to John B. Coleman, 30. The decree gave her \$15,000 worth of property. Mr. and Mrs. Coleman were married three years ago at an old peoples home in California.

### PORTUGAL EXPECTS WAR

London, Feb. 26.—The Berlin press is urging a prompt demand upon Portugal to release interned Teuton ships seized this week, though Foreign Secretary Von Jagow lacks confirmation of the seizures, said a dispatch today. Madrid dispatches said that Portuguese authorities frankly admit they expect Germany to declare war on Portugal.

### MAY LOWER INTEREST RATES

Spokane, Wash., Feb. 26.—A score of bankers from northwest cities arrived in Spokane today for a conference, and to attend the banquet of the Spokane Clearing House association to night. Among other things they will consider the question of lowering interest rates on deposits from 4 to 3 per cent.

## ZEPPELINS WILL CARRY SUPPLIES ACROSS ATLANTIC

**German Airship Authority Predicts This May Become Possible**

### SWEDEN, SPAIN, RUMANIA MAY TAKE SIDES IN WAR

**Latter Is the Unsolved Puzzle of Balkans—Smiles at Allies Just Now**

By Carl W. Ackerman.

(United Press Staff Correspondent.)  
Berlin, Feb. 26.—A great fleet of Zeppelins flying to America and bringing food back to Germany, is a possibility if this war lasts several years longer, an authority on aeronautics declared today.

"Seems like a dream," he said, "but a war that has seen submarines go from Wilhelmshaven to Constantinople and Zeppelins and aeroplanes play unsuspected roles may see some even more startling developments in, say, three or four years."

The very fact that this possibility is being discussed is evidence of the realization here that this war between England and Germany is to be decisive if not a battle to exhaustion. In this finish fight Germany expects to win, if necessary by bringing into play all the inventive powers that already have stood her in such good stead.

In counting the probabilities of a long war, German military critics are casting their eye at neutrals that may become involved. They are speculating for instance, on what would happen if the English threw an army into Holland and marched against Aix-la-Chapelle to trap the German army in Belgium.

But the fact that the Dutch government has just voted new credits for the defense of Holland's neutrality satisfies the average Berliner that there is little danger from that source.

Sweden, Spain and Rumania, it is conceded here, are the three neutrals most likely to play prominent roles if the war is long drawn out. Rumors that Sweden plans to attack Russia if the war becomes one of exhaustion have been in circulation here for months.

Reports that Spain has been buying munitions in America have also aroused public interest when viewed in connection with Spain's decades-old ambition to conquer Gibraltar.

Rumania is the unsolved puzzle of the Balkans. At present she is controlled almost entirely, according to reports brought here, by England's heavy purchases of Rumanian grain.

### Italian Accused of

#### Setting Fire to House

Portland, Or., Feb. 26.—Accused of attempting to set fire to a house in which five children, a man and woman were asleep, Vito Colacola, Italian laborer, was arrested today.

At four o'clock this morning, a street cleaner saw Colacola set a dishpan filled with gasoline and kindling under the porch of the residence of Joseph Battaglia, and set fire to the gasoline. The alleged incendiary was followed and arrested. Battaglia said he had quarreled with Colacola, who had threatened the lives of his family.

### Police Pick Up Two

#### Suspected Auto Thieves

Two men who were endeavoring to dispose of an auto robe and a kit of tools for an Indian motorcycle were brought to the station today by Officer Nicholson where they were booked on a vagrancy charge while the source of their supplies is being investigated.

The officers are of the opinion that the push lap robe and kit of tools are stolen property. The men gave the names of George Hines and George Stevens and pleaded guilty to vagrancy charges and were given 10 days to think it over in the city jail.

### MORE CANDIDATES FILE

J. M. Blank, of Canyon City filed today as a candidate for nomination by the Republican party for the office of District Attorney for Grant county. Other candidates are: W. H. Chatten, of Portland, candidate for nomination by the Republican party for the office of Representative in the legislative assembly, Seventeenth representative district, comprising Multnomah and Clackamas counties.

A. E. Voorhies, of Grants Pass, candidate for nomination by the Republican party for the office of Representative in the legislative assembly, Seventeenth representative district, comprising Josephine county.

W. M. Duncas, of Klamath Falls, candidate for nomination by the Democratic party for the office of District Attorney for Klamath county.

### UNEASY "CONSCIENCE"

#### RETURNS WATCH

After 13 years as "lost" Mrs. Kate Bernardi, wife of Joseph Bernardi, assistant engineer at the state house, received a silver watch which she had long ago forgotten after giving up all hope of finding it. The watch was lost in a hop yard 13 years ago and as it was highly valued as a keepsake by Mrs. Bernardi she advertised in the local papers and offered a liberal reward for its return. Yesterday the watch arrived in good condition neatly packed in a box and bearing a three cent stamp but not a single line to indicate who had been carrying it all of these years or whose conscience felt the twinge that caused its return to the rightful owner.

### BLOODHOUNDS TRAIL

#### BANKER'S MURDERER

##### Posse Gets Accurate Description of Hoboes Who Dressed His Wounds

San Jose, Cal., Feb. 26.—Bloodhounds trailing the murderer of George A. Jones, retired banker who was stabbed to death at his home yesterday, today picked up the blood trail in Alameda county. Shortly before noon they passed through Warm Springs on the state highway and headed in the general direction of Irvington.

The most important clue given the posse thus far came today when a rancher near Berryessa told of having treated a stranger's arm for knife wounds.

Rains obliterated the blood trail and it was lost several times by the hounds and time was lost picking up the scent again.

The coroner's jury today brought in this verdict: "Death due to knife wounds inflicted by a party or parties unknown."

Mrs. Jones appeared at the inquest and told the coroner the same story as was reported to the police.

The San Jose police have received an accurate description of the supposed slayer from two hoboes who declare they encountered the man early Friday morning in San Jose. The man had a severe knife wound in his arm, they said, and they assisted him in dressing it. The last time they saw him, they said, he was going in the direction of Alameda county.

The police are confident that despite the difficulties presented by the rains which have obliterated the trail at many points, the bloodhounds will be able to run the suspected man to earth. They started on the scent two hours before midnight but made a false start and after midnight were brought back to the scene of the crime and started anew.

### COMMITTEE STANDS

#### FOR ARMY OF 145,000

##### Also Wants \$20,000,000 for Nitrate Plant Needed in War Times

Washington, Feb. 26.—The house military committee today voted to recommend a regular army of 145,000, after having defeated Representative Tilton's plan for an army of 220,000 as advocated by General Leonard Wood.

Representative Kain, of California, absent from the voting, favors a reconsideration but it is understood the question will not be re-opened.

The bill authorizes a \$20,000,000 appropriation for a nitrate plant, to be devoted to fertilizer manufacture in peace times and to munitions manufacture in war times. It would be leased in peace to a private concern at a return of three per cent on the investment with the government fixing the price for its output.

### Keizer School Formed

#### Parent Teachers' Club

The patrons of Keizer school met and formed a parent-teachers club Thursday evening.

The rooms were decorated with ferns and pussy willows. A short program was given by the school followed by a short address by Superintendent W. M. Smith on the need of such a club.

Mrs. Helen Cowgill followed with an address on industrial club work, which was greatly enjoyed by all.

Mrs. Clark, president of the County Parent Teachers' association, then took charge, organizing the club. Refreshments were served after the business meeting adjourned.

All present enjoyed the evening and it is hoped there may be more such gatherings.

## THINK CONGRESS WILL FORCE WILSON TO YIELD

**Ackerman Wires From Berlin That German Officials Count On Congress Forcing President to Back Down—Think Congress Will Pass Resolution Warning Americans To Keep Off Armed Ships—Administration Handicapped by Lawmakers**

By Carl W. Ackerman,  
United Press Staff Correspondent.

Berlin, Feb. 26.—Germany counts upon congress to force President Wilson to back down from his position in the German-American situation, the United Press learned today. While officials would not comment upon it, the general feeling here is that if the matter of the German armed merchantmen decree is referred to congress, a resolution will be passed, warning Americans from traveling on armed ships.

Dispatches suggesting the possibility that President Wilson would ask the recall of Ambassador Von Bernstorff caused great surprise here. For the past 24 hours the United Press office has been besieged by telephone calls from officials and prominent men inquiring as to the truth of the reports.

American Ambassador Gerard and Foreign Secretary Von Jagow declared, however, that no such intimations had come to them.

Though the report that congress may force President Wilson to yield to Germany roused hope here of a peaceful settlement of the controversy, the feeling against America is daily more intense. Not only the public but also officials are frankly bitter in their criticism of the president for refusing to warn Americans to keep off armed ships, and the consensus of opinion is that recall of diplomats would have the worst possible effect upon German-American negotiations.

Ambassador Gerard, despite his recent accident, is now at his desk looking after American interests.

The above dispatch is the first word of the German feeling since a breach was evident between the president and congress on the decree situation.

### Germany Did Not Play Fair.

Washington, Feb. 26.—The reason for administration opposition to issuance of a warning to Americans to keep off armed ships was explained by a high state department official today for the benefit of the public, at the request of the United Press. He said that following the Lusitania torpedoing Germany promised not to attack unarmed liners in the future without warning to insure the safety of passengers. Then before the informal Lansing-Bernstorff conferences were fairly started over America's demands for disavowal, admission of liability, and punishment of the commander, the torpedoing of the Arabic occurred.

In setting this latter case, Germany promised not to attack any liner without warning.

After months of informal negotiations, Germany phrased a final reply in the Lusitania case, satisfactory to the original American demands but before the formal agreement was reached, however, Germany issued her proclamation of war on armed merchantmen.

"Another reading of the Arabic promise showed that the decree was wholly inconsistent with the settlement and nullified it. Again, if the government were to warn citizens, it would place the situation in a position of nullifying and even repudiating the Lusitania demands," said the official.

### One Nation Replies.

Washington, Feb. 26.—From one of the allied nations, America has heard as to her proposal that, for the sake of humanity, armaments be removed from merchantmen. What this reply stated, or from whence it came, the administration would not announce today.

It was, however, of such a nature as to have no effect upon the American difficulty with Germany over the latter's decree of war upon armed merchant ships.

(Continued on Page Eight.)

### THE WEATHER

Oregon: Tonight and Sunday fair, with some clouds, probably rain or snow east portion.

